# Public Utilities Commission of the State of California

# Results of Public Agenda 3121 Meeting Held on Thursday, October 16, 2003 10:00 a.m. San Francisco, California

**Commissioners** 

Michael R. Peevey, President Geoffrey F. Brown Susan P. Kennedy Loretta M. Lynch Carl W. Wood

Website: http://www.cpuc.ca.gov

# Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco

Ratesetting Deliberative Meeting* Room 5305 (1:30 p.m.) Closed to the Public	Commission Meeting Auditorium (10 a.m.) <b>Open to the Public</b>
Monday, October 27, 2003 (San Francisco)	Thursday, October 30, 2003 (San Francisco )
Friday, November 07, 2003 (San Francisco)	Thursday, November 13, 2003 (San Francisco)
Monday, December 01, 2003 (San Francisco)	Thursday, December 04, 2003 (San Francisco)
Monday, December 15, 2003 (San Francisco)	Thursday, December 18, 2003 (San Francisco)

<sup>\*</sup>Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.

For further information contact the Public Advisor (415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



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#### **PUBLIC COMMENT**

# The following items are not subject to public comment:

· All items on the closed session agenda; these are HEX and EX items.

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#### **Public Comment:**

Re 35: Katherine Runkle, Temecula, CA

Re 41:

Donald Lively, Lafayette, CA

James Gordon, Communications Workers of America, Sacramento, CA

K. R. Walters, Pleasant Hill, CA

Louis T. Marucci, Lafayette, CA

Re 42: Ed Berens, County of Los Angeles Board of Supervisors, Los Angeles, CA

Re 46:

Michael Yuen, Northern California Council for the Community, San Francisco, CA

Nona Tobin, United Way-Silicon Valley, San Jose, CA

Pejman Salimpour, Sherman Oaks, CA

# **Consent Agenda**

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

#### **Orders and Resolutions**

#### 1 Res TL-19034

[2678] Resolution app

Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

# Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 2 Res ALJ 176-3121

[2679]

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

# **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# 3 A03-02-001 - Zephyr Communications, L.L.C. (Applicant).

[2605]

This decision grants Applicant a certificate of public convenience and necessity under Pub. Util. Code § 1001 to provide local exchange, resold intraLATA and InterLATA telephone service, and hi-speed data services. This proceeding is closed.

(Comr Brown - ALJ Bemesderfer)

Agenda 3119, Item 7 9/18/2003 (Wood); Agenda 3120, Item 4 10/2/2003 (Brown)

Outcome Held (10/30/03, Consent Agenda. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 4 A01-03-026 - PacifiCorp.

[2708]

This decision adopts an unopposed settlement of the general rate increase revenue requirement for PacifiCorp for a 2002/2003 test year. In addition, the decision adopts an all-party settlement of the revenue allocation and rate design. The result is an overall revenue requirement increase of \$2.8 million over the revenues generated by the present rates, as opposed to PacifiCorp's requested increase of \$11.4 million. This proceeding is closed.

(Comr Kennedy - ALJ O'Donnell)

Outcome Held (11/13/03, Regular Agenda. For alternate.)

# 5 R93-04-003 - Rulemaking on the Commission's own motion to govern open access to bottleneck services and establish a framework for network architecture development of dominant carrier networks.

193-04-002 - Related matters. This decision resolves two petitions for modification of D03-03-033.

First, the Commission denies Verizon California Inc.'s (Verizon) request for an extension until March 2004 to implement the nonrecurring prices adopted in D03-03-033. Instead, Verizon may defer billing for nonrecurring charges, with interest, until its billing system changes are complete. Second, the Commission finds that customer notification of potential price floor changes is duplicative of existing General Order 96-A requirements. Verizon's petition on this issue is granted in part, but otherwise, D03-03-033 is left unchanged in that contract prices based on interim price floors are subject to adjustment once final price floors are adopted in a later phase of this proceeding.

(Comr Peevey - ALJ Duda)

# **Outcome Signed**

D03-10-038

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 6 A03-05-017 - SBC California (SBC).

[2711] This decision grants

This decision grants SBC authority to lease small amounts of space in three central office buildings to its affiliate SNET Diversified Services, Inc. under G.O. 69-C and dismisses §851 application. This proceeding is closed.

(Comr Kennedy - ALJ Bemesderfer)

#### Outcome Held (10/30/03, Consent Agenda. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

# 7 A00-01-012 - Covad Communications Company.

[2713]

For arbitration of Interconnection Agreement with Roseville Telephone Company. This decision directs Roseville Telephone Company to file any cost study with proposed unbundled network element prices through a new application. This proceeding is closed.

(Comr Kennedy - ALJ Duda)

#### **Outcome Signed**

D03-10-039

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 8 Res L-304

[2724]

This resolution authorizes release of Commission investigation report and related documents to the legal representative of Mr. Keith Cooper. Mr. Cooper is the injured party to an electric shock.

#### **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 9 A00-11-038 - Southern California Edison Company.

[2730]

For authority to institute a rate stabilization plan with a rate increase and end of rate freeze tariffs. A00-11-056, A00-10-028 - Related matters. This decision resolves issues regarding the collection and remittance of municipal surcharge fees by Pacific Gas & Electric Company in connection with electric power sales of the California Department of Water Resources, pursuant to D03-02-032. (Comr Brown, Comr Lynch - ALJ Pulsifer)

#### **Outcome Signed**

D03-10-040

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 10 A03-05-002 - Pacific Gas & Electric Company.

[2733]

For approval of energy efficient shareholder incentives for third claim for incentives for 1998 accomplishment for Pre-1998 Programs, and for recovery of costs for the 2002 Interruptible Load Programs. A03-05-003, A03-05-004, A03-05-009 - Related matters. This decision requires the Director of the Energy Division, or the Director's designee, to review and authorize the release of any reports regarding low-income energy efficiency (LIEE) impact evaluations that are conducted by utility contractors. The decision also directs that the utility managing such contracts shall not make payments to the contractor(s) without authorization by the Director of the Energy Division, or the Director's designee. These requirements apply to the LIEE impact evaluations conducted for 2003 and beyond, unless otherwise directed by Commission order.

(Comr Kennedy - ALJ Gottstein)

# Outcome Signed

D03-10-041

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 11 Res L-305

[2738]

This resolution authorizes disclosure of the investigative report by Consumer Services Division (Utilities Safety Branch) concerning incident No. GIR20020301-01.

# Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 12 A02-05-013 - Valencia Water Company (Valencia).

[2744]

For an order authorizing Valencia to increase general rates charged for water service in order to realize increased annual revenues in Test Year 2003, Test Year 2004, and Test Year 2005. This decision grants the Los Angeles Chapter of the Sierra Club \$11,353.60 in compensation for its contribution to D03-05-030.

(Comr Brown - ALJ Bushey)

#### **Outcome Signed**

D03-10-042

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 13 Res W-4427 - Nacimiento Water Company, Inc. (NWC).

[2752]

This resolution approves extension of NWC's service area and a contract arrangement addressing specific provisions for handling the procedures outside traditional main extension contract in Tariff Rule No. 15. (Advice Letter 25, filed September 16, 2003)

Agenda 3120, Item 23 10/2/2003 (Staff)

# Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 14 (ECP) C03-07-001 - Reba Edwards vs. Pacific Bell Telephone Company.

[2760]

At a duly noticed hearing on September 9, 2003, Complainant failed to appear. The complaint is dismissed. The proceeding is closed.

(Comr Lynch - ALJ Patrick)

#### **Outcome Signed**

D03-10-043

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 15 Res E-3848 - Southern California Edison Company (SCE).

[2769]

This resolution approves SCE's request for Amendment No. 2 to the Power Purchase Contract between SCE and Ormesa Geothermal and Contract Termination Agreement between Ormesa Geothermal II and SCE. (Advice Letter 1726-E, filed August 1, 2003)

Agenda 3120, Item 26 10/2/2003 (Peevey)

# **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

**16** [2779]

I02-06-003 - Investigation on the Commission's own motion into the operations, practices, and conduct of Pacific Bell Wireless LLC dba Cingular Wireless, and related entities (collectively "Cingular") to determine whether Cingular has violated the laws, rules and regulations of this State of cellular telephone equipment and service and its collection of an Early Termination Fee and other penalties from consumers.

This decision extends the procedural schedule pursuant to Pub. Util. Code § 1701.2(d) in order to accommodate oral argument on the presiding officer's decision (POD) and permit the Commission to review the POD and issue a decision on a publicly noticed agenda.

(Comr Wood - ALJ Vieth)

# **Outcome Signed**

D03-10-044

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# 17 A01-10-016 - Alameda Corridor - East Construction Authority (ACE).

[2781]

This decision grants ACE's request to modify D02-05-041, dated May 16, 2002, in A01-10-016, by substituting the bridge structure plans previously authorized in D02-05-041 Appendix A, Pages 2 and 3, with the bridge structure plans attached to the Petition for Modification. This proceeding is closed. (Exam Clark)

# **Outcome Signed**

D03-10-045

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 18 A03-03-038 - City of Goleta.

[2782]

This decision grants the request of City of Goleta in Santa Barbara County to widen and reconstruct the grade-separated bridge over the tracks of Union Pacific Railroad Company's Coast Route, also known as Mainline E. This proceeding is closed.

(Exam Clark)

# **Outcome Signed**

D03-10-046

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 19 A02-12-009 - Southern California Regional Rail Authority (SCRRA).

[2783]

This decision grants SCRRA's request to construct a permanent at-grade pedestrian crossing at the Claremont Metrolink Station in the County of Los Angeles. This proceeding is closed.

(Exam Clark)

# Outcome Signed

D03-10-047

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 20 A03-05-020 - City of Santa Clarita.

[2784]

This decision grants the request of City of Santa Clarita to construct a grade separation between Golden Valley Road over the tracks of Southern California Regional Rail Authority in the City of Santa Clarita. This

proceeding is closed.

(Exam Clark)

#### **Outcome Signed**

D03-10-048

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 21 A03-06-013 - City of Solana Beach.

[2786]

This decision grants the request of City of Solana Beach to construct the Rosa Street Pedestrian Overcrossing, a grade-separated pedestrian-rail crossing adjacent to Rosa Street between Highway 101 to the west and South Cedros Avenue to the east above North County Transit District's two main line tracks in San Diego County. This proceeding is closed.

(Exam Clark)

# Outcome Signed

D03-10-049

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 22 A03-07-004 - City and County of San Francisco (CCSF).

[2787]

This decision grants CCSF's request to construct two rail-to-rail at-grade crossings along 3rd Street, in the City and County of San Francisco. This proceeding is closed.

(Exam Clark)

# **Outcome Signed**

D03-10-050

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# 23 Res G-3357 - Southern California Gas Company (SoCalGas).

[2807]

This resolution approves SoCalGas' request for revisions to several tariff schedules to accommodate the impending elimination of the core subscription tariff. (Advice Letter 3268, filed June 12, 2003)

#### **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 24 A03-06-036 - Okab S. Fayad, dba Acropolis Airport Shuttle (Applicant).

[2817]

This decision authorizes Applicant to operate as a passenger stage corporation between San Francisco, Alameda, Contra Costa, Santa Clara, San Mateo and Solano Counties, on the one hand, and San Francisco, Oakland, and San Jose International Airports, on the other hand, and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

# Outcome Signed

D03-10-051

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 25 A03-07-038 - Blue & Gold Fleet, L.P. (Applicant).

[2818]

This decision authorizes Applicant to increase its vessel common carrier fares between Alameda/Oakland and San Francisco. This proceeding is closed.

(Exam Clark)

# Outcome Signed

D03-10-052

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

#### 26 A03-05-005 - A Freeway Express, Inc. (Applicant).

[2819]

This decision authorizes Applicant to operate as a passenger stage corporation between points in the Counties of Los Angeles, Orange, San Bernardino and Riverside, on the one hand, and Los Angeles International, Burbank, Long Beach, and Ontario International Airports, Los Angeles AMTRAK station, and Los Angeles and Long Beach Harbors, on the other hand; and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

#### **Outcome Signed**

D03-10-053

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 27 A03-06-037 - Brenda Mason, dba A Car 4 Kids (Applicant).

[2820]

This decision authorizes Applicant to operate as a passenger stage corporation to transport children between points in Contra Costa, Alameda, and San Francisco Counties, and to establish a zone of rate freedom. This proceeding is closed.

(Exam Clark)

# Outcome Held (10/30/03, Consent Agenda.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 28 A03-01-038 - Consolidated Communications Operator Services, Inc. (Applicant).

[2822]

This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based interexchange services throughout California. It will not, however, be processed as a registration request as initially sought. This application is closed.

(Comr Lynch - ALJ Weismehl)

# **Outcome Signed**

D03-10-054

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# 29 Res. W-4430 - Arrowhead Manor Water Company, Inc. (AMWC).

[2827]

This resolution approves AMWC's request to increase rates by the consumer price index for 2002, and a one-time surcharge to recover the Department of Health Services annual fee, and water testing costs producing an overall increase in annual revenues of \$14,432 or 3.6%. (Advice Letter 51-W, filed April 7, 2003)

#### **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# Res W-4431 - Interstate-5 Utility Company, Inc.-Water (I-5WC).

[2828]

This resolution authorizes I-5WC a general rate increase producing additional annual revenues of \$14,068 or 32.9% for test year 2002.

# **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

#### 31 Res L-307

[2829]

This resolution authorizes release of investigation records regarding electrocution of Mr. Kincannon on 8/10/02

# **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# 32 (Rev.) Res W-4432 - California Water Service Company (CWS), Bakersfield District.

[2831]

This resolution authorizes CWS, Bakersfield District, a rate base and expense offset revenue increase of \$4,228,263 or 12.88% additional annual revenue. (Advice Letter 1552, filed July 25, 2003) 10/15/2003 - This revision was not shown on the Agenda mailed to the public.

#### **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# 33 A03-07-005 - Nasrollah Moghaddam, dba A Prompt Shuttle (Applicant).

[2832] This decision authorizes Applicant to operate as a passenger stage

corporation between points in Orange

County and John Wayne Airport. This proceeding is closed.

(Exam Clark)

# Outcome Signed

D03-10-055

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# Regular Agenda

# **Energy Orders**

# A02-03-047 - Southern California Gas Company (SoCalGas) and San Diego Gas & Electric Company (SDG&E).

A02-03-048, A02-03-049 - Related matters. This decision grants funding for certain aspects of Low Emission Vehicle Programs, as requested by Southern California Gas Company, San Diego Gas & Electric Company, Southern California Edison Company and Pacific Gas and Electric Company.

These proceedings are closed.

(Comr Wood - ALJ Prestidge)

Agenda 3116, Item 5 7/10/2003 (Kennedy);

Agenda 3117, Item 85 8/21/2003 (Kennedy);

Agenda 3120, Item 28 10/2/2003 (Peevey)

Outcome Held (10/30/03.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 34a ALTERNATE TO ITEM 2370

[2732]

A02-03-048, A02-03-049 - Related matters. This alternate acts on applications by Southern California Gas Company, San Diego Gas & Electric Company, Southern California Edison Company, and Pacific Gas & Electric Company for funding for the discretionary aspects of their LEV programs. This alternate allows several programs that were disallowed in the proposed decision, contingent upon Advice Letter approval. In addition, it requires the Division of Strategic Planning to prepare a report on the effectiveness of the programs approved by this decision, and submit this report to the State Legislature by January 30, 2004, to meet the requirements of Pub. Util. Code §740.3(b). These proceedings are closed.

(Comr Lynch)

Agenda 3120, Item 28a 10/2/2003 (Peevey)

Outcome Held (10/30/03.)

#### 34b ALTERNATE TO ITEM 2370

[2838]

A02-03-048, A02-03-049 - Related matters. This alternate acts on applications by Southern California Gas Company, San Diego Gas & Electric Company, Southern California Edison Company, and Pacific Gas and Electric Company for funding for the discretionary aspects of their low emission vehicle programs. This alternate approves all funding requests of the utilities till the end of 2005. This alternate also provides direction to the utilities in what will be expected of them in order to gain program funding approval in the future. These proceedings are closed.

(Comr Kennedy)

#### Outcome Held (10/30/03.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 35 A01-03-036 - San Diego Gas & Electric Company.

[2502]

For a certificate of public convenience and necessity for the Valley-Rainbow 500kV Inter-Connect Project. This decision awards intervenor compensation to Save Southwest Riverside County for its substantial contribution to D02-12-066. This proceeding is closed.

(Comr Kennedy - ALJ Cooke)

Agenda 3117, Item 47 8/21/2003 (Brown); Agenda 3119, Item 31 9/18/2003 (Brown)

# Outcome Signed

D03-10-056

Yes: (Kennedy, Lynch, Wood)

No: (Brown, Peevey)

Abstain: (none) Absent: (none)

#### 36 A00-05-002 - Southern California Gas Company.

[2731]

A00-05-003, A00-05-004, A00-05-005, A01-05-003, A01-05-009, A01-05-017, A01-05-018, A02-05-002, A02-05-003, A02-05-005, A02-05-007. - Related matters. This decision concludes that R91-08-003/I91-08-002 should not be reopened to reconsider the shared-savings mechanism adopted in D94-10-059. Nothing in today's decision precludes the Commission from disapproving or modifying the earnings claims submitted by the utilities in pending and future Annual Earnings Assessment Proceedings associated with this incentive mechanism. All earnings claims are subject to verification, consistent with our adopted measurement and evaluation protocols.

(Comr Lynch - ALJ Gottstein)

#### **Outcome Signed**

D03-10-057

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.

This decision addresses Southern California Edison Company's motion for interim authority to hedge qualifying facilities for gas price risk for 2004.

(Comr Peevey - ALJ Walwyn)

Agenda 3120, Item 39 10/2/2003 (Staff)

Outcome Withdrawn

Yes: (none) No: (none) Abstain: (none) Absent: (none)

#### 37a (Rev.) ALTERNATE TO ITEM 2777

[2866]

This alternate grants Southern California Edison interim authority to enter natural gas hedge transactions for qualifying facilities, but rejects ORA's proposal to gauge the reasonableness of those transactions against NYMEX data sources.

(Comr Peevey)

10/08/2003 - This item was not listed on the agenda distributed to the public.

# Outcome Signed (Comr. Kennedy will file a concurrence. Comr. Lynch reserves the right to file a dissent. Comr. Wood reserves the right to file a dissent.)

D03-10-058

Yes: (Brown, Kennedy, Peevey)

No: (Lynch, Wood) Abstain: (none) Absent: (none)

#### 38 A03-02-002 - Pacific Gas and Electric Company (PG&E).

[2816]

This decision addresses PG&E's 2003 Energy Resource Recovery Account (ERRA) forecast and the ERRA trigger amount. The motion to adopt the stipulation between PG&E and the Office of Ratepayer Advocates is granted, and the stipulation is approved. The other forecasts used in calculating the 2003 ERRA revenue requirement are adopted. This proceeding is closed.

(Comr Peevey - ALJ Wong)

# **Outcome Signed**

D03-10-059

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# **Energy Resolutions and Written Reports**

# 39 Res E-3835 - Southern California Edison Company (SCE).

[2371]

This resolution denies SCE's request for approval of revisions to tariff schedules necessary to extend the TOU pricing requirement mandated by AB1X 29 and D01-05-064 to all customers with demand exceeding 200 kW. (Advice Letter 1649-E, filed September 6, 2002)

Agenda 3116, Item E-5 7/10/2003 (Staff); Agenda 3117, Item 96 8/21/2003 (Staff); Agenda 3118, Item 35 9/4/2003 (Staff); Agenda 3119, Item 34 9/18/2003 (Wood); Agenda 3120, Item 40 10/2/2003 (Staff)

#### Outcome Withdrawn

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 39a ALTERNATE TO ITEM 2371

[2776]

This alternate Resolution denies Southern California Edison's request to revise its tariff as requested in Advice Letter 1649-E. It further directs SCE to seek approval of its proposed tariffs in the Commission's rulemaking on demand response (R02-06-001).

Agenda 3120, Item 40a 10/2/2003 (Staff)

# **Outcome Approved**

Yes: (Brown, Lynch, Wood) No: (Kennedy, Peevey) Abstain: (none)

Absent: (none)

#### 40 Res E-3853 - Pacific Gas and Electric Company (PG&E).

[2834]

PG&E requests approval of renewable resource procurement contracts. (Advice Letter 2423-E, filed September 18, 2003)

# Outcome Approved (Comr. Lynch will file a dissent.

Comr. Wood will file a dissent.)

Yes: (Brown, Kennedy, Peevey)

No: (Lynch, Wood) Abstain: (none) Absent: (none)

#### **Telecommunication Orders**

# 41 R01-09-001 - Commission's own motion to assess and revise the new regulatory framework [1866] for Pacific Bell and Verizon California Incorporated.

I01-09-002 - Related matters. In this decision, the Commission evaluates the service quality of Pacific Bell and Verizon California, Inc. over the period January 1, 1990 through the present. The Commission ordered such a review in D89-10-031, which established the New Regulatory

(Comr Kennedy - ALJ Thomas)

Agenda 3111, Item 1 4/17/2003 (Kennedy);

Framework as means of regulating both carriers.

Agenda 3114, Item H-3 6/5/2003 (Peevey);

Agenda 3116, Item H-1 7/10/2003 (Peevey);

Agenda 3117, Item 101 8/21/2003 (Staff);

Agenda 3118, Item 37 9/4/2003 (Kennedy);

Agenda 3119, Item 37 9/18/2003 (Brown);

Agenda 3120, Item 42 10/2/2003 (Wood)

# Outcome Held (10/30/03. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

#### 41a ALTERNATE TO ITEM 1866

[2366]

This alternate finds that under the New Regulatory Framework (NRF), Verizon has provided excellent customer service. Pacific Bell has provided generally good service, but several of its operations suffer from poor service quality. The alternate reaches these conclusions through a statistical examination of the direct measures of service quality provided by Pacific Bell and Verizon to this Commission and to the FCC. The alternate further finds that Verizon and Pacific Bell developed different service quality records during the NRF period, but that both show an improving trend in service quality. This evidence casts doubt on the proposition that NRF systematically decreases the quality of customer service.

(Comr Kennedy, Comr Peevey)

Agenda 3116, Item H-1a 7/10/2003 (Peevey);

Agenda 3117, Item 101a 8/21/2003 (Staff);

Agenda 3118, Item 37a 9/4/2003 (Kennedy);

Agenda 3119, Item 37a 9/18/2003 (Brown);

Agenda 3120, Item 42a 10/2/2003 (Wood)

Outcome Held (10/30/03. Further review.)

#### 41b ALTERNATE TO ITEM 1866

[2677]

This alternate finds that, under the New Regulatory Framework (NRF), Verizon provided generally improving service that compared favorably with other large carriers on most measures, with just a few areas of weakness. Pacific Bell's service was stable for the majority of measures we studied and compared favorably to other large carriers on many measures, but Pacific's service exhibited several important areas of weakness, especially for residential customers. The alternate finds that there is insufficient evidence to establish whether NRF caused either positive or negative changes in service quality.

(Comr Lynch, Comr Wood)

Agenda 3119, Item 37b 9/18/2003 (Brown);

Agenda 3120, Item 42b 10/2/2003 (Wood)

Outcome Held (10/30/03. Further review.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

# 42 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into competition for local exchange service.

I95-04-044 - Related matters. This decision authorizes the North American Numbering Plan Administrator, together with carriers to proceed immediately with implementation of the 310 Numbering Plan Area (NPA) back-up relief plan adopted in D00-09-073. The back-up plan provides for a geographic split of the 310 NPA to create a new 424 NPA in order to replenish the supply of NXX codes available for telephone number assignments. The southern portion of the current 310 area code, including El Segundo, Hawthorne, Compton, Redondo, Lomita, and San Pedro shall be split off to form a new 424 area code.

(Comr Lynch - ALJ Pulsifer)

Agenda 3114, Item 2 6/5/2003 (Peevey);

Agenda 3115, Item H-6 6/19/2003 (Peevey);

Agenda 3117, Item 104 8/21/2003 (Wood)

#### **Outcome Withdrawn**

#### 42a ALTERNATE TO ITEM 2177

[2179]

This decision concludes that adequate telephone numbers still exist in the 310 area code to provide customers and telephone carriers with sufficient service. It is not necessary at this time to split the 310 area code by implementing the area code split plan adopted in D00-09-073. Instead, the Commission should closely monitor the additional need for telephone numbers in the 310 area code to assure adequate telephone number supplies, and further advocate its number conservation proposals now pending with the federal Communications Commission.

(Comr Lynch)

Agenda 3114, Item 2a 6/5/2003 (Peevey); Agenda 3115, Item H-6a 6/19/2003 (Peevey); Agenda 3117, Item 104a 8/21/2003 (Wood)

#### **Outcome Signed**

D03-10-060

Yes: (Kennedy, Lynch, Wood)

No: (Brown, Peevey)

Abstain: (none) Absent: (none)

# 43 C99-01-039 - The Greenlining Institute, Latino Issues Forum vs. Pacific Bell, Pacific Bell Information Services.

This decision denies the petition to modify D03-03-022 by the Greenlining Institute. This proceeding is closed.

(Comr Wood - ALJ Vieth)

Agenda 3114, Item CA-10 6/5/2003 (Peevey);

Agenda 3116, Item CA-4 7/10/2003 (Peevey);

Agenda 3118, Item 38 9/4/2003 (Kennedy);

Agenda 3119, Item 38 9/18/2003 (Kennedy);

Agenda 3120, Item 43 10/2/2003 (Wood)

#### Outcome Withdrawn

#### 43a ALTERNATE TO ITEM 2180

[2723]

This alternate decision grants Greenlining's petition, and increases our prior award to G/LIF by \$53,796 based on comparable training and experience for the attorneys and experts involved in this proceeding and our award to Disability Rights Advocates in D.03-01-075. In addition, the ALJ Division is directed to report back to the Commission by December 30, 2003 on creating a process for setting intervenor attorney hourly rates and expert fees annually on a prospective basis in order to avoid the inequitable awards noted in this proceeding, and to propose a fair and feasible approach for handling similar pending requests from Greenlining for adjustment of prior awards.

(Comr Kennedy, Comr Peevey)

Agenda 3120, Item 43a 10/2/2003 (Wood)

Outcome Signed (Comr. Lynch will file a concurrence.)

D03-10-061

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

**44** [2305]

I00-11-052 - Investigation on the Commission's own motion into the operations, practices, and conduct of Qwest Communications Corporation (Qwest) and its wholly owned subsidiary, LCI International Telecommunications Corporation, dba Qwest Communications Services (LCIT), to determine whether Qwest and LCIT have violated the laws, rules and regulations governing the manner in which California consumers are switched from one long distance carrier to another and billed for long distance telephone services.

This decision denies the Greenlining Institute and Latino Issues Forum's petition to modify D03-04-050 to increase their intervenor compensation award. This proceeding is closed.

(Comr Wood - ALJ Econome)

Agenda 3116, Item 1 7/10/2003 (Peevey);

Agenda 3118, Item 39 9/4/2003 (Kennedy);

Agenda 3119, Item 39 9/18/2003 (Kennedy);

Agenda 3120, Item 44 10/2/2003 (Wood)

#### Outcome Withdrawn

#### 44a ALTERNATE TO ITEM 2305

[2773]

This alternate decision grants Greenlining's petition to modify, and increases our award to G/LIF by \$15,313.78 based on comparable training and experience for the attorneys and experts involved in this proceeding, and our award to Disability Rights Advocates in D.03-01-075. In addition, the ALJ Division is directed to report back to the Commission by December 30, 2003 on creating a process for setting intervenor attorney hourly rates and expert fees annually on a prospective basis in order to avoid the inequitable awards noted in this proceeding, and to propose a fair and feasible approach for handling similar pending requests from Greenlining for adjustment of prior awards.

(Comr Kennedy, Comr Peevey)

Agenda 3120, Item 44a 10/2/2003 (Wood)

# Outcome Signed (Comr. Lynch wll file a concurrence.)

D03-10-062

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

# 45 C98-04-004 - The Utility Consumers' Action Network vs. Pacific Bell.

[2673]

C98-06-003, C98-06-027, C98-06-049, I90-02-047 - Related matters. This decision awards Greenlining Institute and Latino Issues Forum \$338,405.16 for its contribution as intervenor to D01-09-058. These proceedings are closed.

(Comr Brown - ALJ Bushey)

Outcome Held (10/30/03. Further review.)

# **Telecommunication Resolutions and Reports**

# 46 Res T-16776 - INFO LINE of Los Angeles (INFO LINE).

[2640]

This resolution grants the application of INFO LINE to use the 2-1-1 dialing code for health and human services information and referral service in Los Angeles County. It orders the Commission to request comments on whether to modify D03-02-029 to require endorsement of the county's board of supervisors as part of future 2-1-1 applications, and on whether the Commission should be involved in handling potential complaints regarding service provided by a 2-1-1 information and referral provider. Agenda 3120, Item 47 10/2/2003 (Staff)

# **Outcome Approved**

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# Transportation/Rail Safety Resolutions and Reports

# 47 Res SX-61

[2788]

This resolution recommends to the California Transportation Commission to set aside the funding for maintaining automatic grade crossing protection devices.

# Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# **Legal Division Matters**

# 48 FERC Docket No. RM01-12

[2835] Consideration of issues raised by FERC's White Paper on Wholesale Market Platform, in FERC

 $Docket\ No.\ RM01\text{--}12,\ Standard\ Market\ Design.$ 

Outcome Approved-Staff Recommendation

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# **Legislative Matters**

# 49 S. 150: Internet Tax Non-discrimination Act of 2003:

[2842]

A bill to make permanent the moratorium on taxes on Internet access and multiple and discriminatory taxes on electronic commerce imposed by the Internet Tax Freedom Act.

# Outcome Held (10/30/03.)

# **Commissioner's Reports**

# 50 Commissioners' Report

[2680] Miscellaneous Commissioners' reports.

**Outcome Information Only** 

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

# 51 President Peevey Report

[2837]

Consideration of comments by CPUC to the California Energy Commission's Draft 2003 Integrated Energy Policy Report (IEPR) published in September 2003 and pursuant to Senate Bill (SB) 1389.

# Outcome Approved as Modified (Comr. Lynch reserves the right to file a concurrence.

)

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

# **Management Reports and Resolutions**

# 52 Management Reports

[2681] Miscellaneous Management reports.

Outcome Withdrawn

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

# 53 Executive Director William Ahern Report

[2774] Discussion and possible action on budget item regarding funding of National Regulatory Research

Institute.

Agenda 3120, Item 53 10/2/2003 (Lynch)

**Outcome Item Discussed** 

#### **Closed Session**

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

#### **Non-Federal Items**

#### 58 R93-04-003 - Conference with Legal Counsel - Application for Rehearing.

[2569]

I93-04-002 - Related matters. Disposition of Application for Rehearing of D02-12-081, filed by (1) the California Association of Competitive Telecommunications Companies, the Competitive Telecommunications Association, Association of Communications Enterprises, Office of Ratepayer Advocates, The Utility Reform Network, Pac-West Telecomm, Inc. and Working Assets long Distance (jointly) and (2) WorldCom, Inc., Time Warner Telecom of California, L.P., Pac-West Telecomm, Inc. and the California Association of Competitive Telecommunications Companies (jointly). D02-12-081 is the Commission's final decision on the Public Utilities Code Section 709.2(c) inquiry regarding Pacific Bell's application to provide intrastate interexchange telecommunications service.

Agenda 3117, Item 145 8/21/2003 (Staff); Agenda 3119, Item 50 9/18/2003 (Staff)

Outcome Held (11/13/03.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

#### 59 A99-12-025 - Conference with Legal Counsel – Application for Rehearing

[2743]

Disposition of the application for rehearing of D01-11-048 and D03-06-033 filed by the Sierra Club. D03-06-033 denied Sierra Club's Petition for Modification of D01-11-048, which approved Valencia Water Company's 1999 Water Management Program and Advice Letters 88 and 90, requesting permission to expand its service area.

Agenda 3120, Item 64 10/2/2003 (Lynch)

**Outcome** Signed (Comr. Lynch reserves the right to file a dissent.)

D03-10-063

Yes: (Brown, Kennedy, Peevey, Wood)